

Information Concerning Elective Coverage for Disability Insurance Only
Under Section 710.4, 710.5, or 710.6
of the California Unemployment Insurance Code (CUIC)

1. SUMMARY OF SECTIONS 710.4, 710.5, AND 710.6 OF THE CUIC

Section 710.4 of the CUIC provides that any public school employer, as defined in Section 3540.1 of the Government Code, may elect to become an employer for disability insurance purposes only, with respect to all its employees who are part of an appropriate unit established pursuant to the public educational employment law.

Section 710.5 of the CUIC provides that any public agency employer, as defined in Section 3501 of the Government Code, may elect to become an employer for disability insurance purposes only, with respect to all of its employees who are part of an appropriate unit established pursuant to the public agency employment law.

Section 710.6 of the Code provides that any Indian tribe, as defined by subsection (u) of Section 3306 of Title 26 of the United States Code, may elect to become an employer for disability insurance purposes only with respect to all its employees who are employed in one or more distinct establishments or places of business or are a part of an employee bargaining unit.

The public school employer or public agency employer or tribal employer may elect to provide coverage to all of management or confidential employees, or to employees not a part of an appropriate unit, but such election shall not be contingent upon coverage of other employees of the employer. The employing unit need not have a petition signed by its employees.

2. ELECTION FOR COVERAGE UNDER SECTION 710.4, 710.5, OR 710.6

Upon filing an election for coverage under Section 710.4, 710.5, or 710.6, the filing entity shall, upon approval of the Director, become an employer subject to the unemployment compensation disability insurance law to the same extent as other employers, and services performed by its employees, including those with civil service or tenure positions, shall constitute employment subject to such law. Beginning at that time, the public school or public agency or tribal employer shall withhold from the wages of employees the contributions required for unemployment compensation disability benefits.

3. EXTENT OF COVERAGE

Persons who are not to be considered to be employees eligible for the coverage under Sections 710.4 or 710.5 of the CUIC are those elected to the offices of the public school or public agency employer by popular vote or appointed to fill a vacant elected position until the next election.

4. ELECTION OF COVERAGE

An application for elective coverage is filed by a public school or public agency or tribal employer on form DE 1378N, which is furnished by this Department. The electing entity agrees to remain a covered employer for two complete calendar years. Coverage may be terminated at the end of the two-calendar-year period or thereafter by giving the Department written notification by January 31 of the succeeding year.

5. CONTRIBUTIONS REQUIRED UPON APPROVAL OF AN ELECTION

Employee contributions for disability insurance are required at the rate established for each year up to the annual taxable wage limit. On or before October 31 of each year, the Department will notify all employers of the adjusted rate for the following year.

6. QUARTERLY REPORTS REQUIRED

Wages are reported on the Quarterly Wage and Withholding Report (DE 6), which is mailed by the Department in advance of the quarterly due date. Contributions are sent with a Payroll Tax Deposit (DE 88) coupon. Instructions for completion of the report and paying the employee contributions for disability insurance are printed on the forms.

7. BENEFIT ELIGIBILITY

NOTE: ELIGIBILITY FOR DISABILITY INSURANCE BENEFITS UNDER THE CUIC DOES NOT BEGIN WITH THE COMMENCEMENT DATE OF COVERAGE. Generally, a minimum of seven (7) months must elapse from the commencement date of coverage before a valid claim may be filed based solely on wages reportable under your election.

Eligibility for disability insurance benefits is determined by the Employment Development Department pursuant to requirements of the CUIC and authorized regulations. Eligibility is dependent on a number of factors including, but not limited to, the following:

- (a) Proof of the claimant's eligibility.
- (b) Filing of a timely claim for benefits.
- (c) Sufficient wages in the base period.

For additional benefit information and an explanation of base period wages, see the pamphlet Disability Insurance Provisions (DE 2515).